

**BEFORE THE
FEDERAL ELECTION COMMISSION**

In The Matter of:

MUR No. 5598

Complaint Filed By Utah Democratic Party

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE
JUL 1 1977

RESPONSE OF UTAH REPUBLICAN PARTY AND ITS CHAIR, JOSEPH A. CANNON

No action should be taken against the Utah Republican Party or its officers or directors, including its chair, Joseph A. Cannon, (the "URP") in this matter, and the Complaint should be dismissed, because there was no violation of federal election laws or regulations. The campaign materials and mailings referenced in the Complaint (the "Subject Mailings") were developed and distributed in compliance with FEC regulations concerning non-allocable mail according to 11 CFR 100.87 and 11 CFR 100.147. The Subject Mailings were paid for by the URP with federal dollars, using the proper disclaimer and postage permit. The Subject Mailings were hand-stamped, processed, and delivered to the post office by volunteers. Supporting documentation, including invoices and canceled checks paying invoices, bank account statements, photographs of volunteers handling the Subject Mailings, volunteer logs, and related documents attached hereto demonstrate that the Complaint has no genuine merit.

STATEMENT OF FACTS

1. The Subject Mailings referenced in the Complaint were developed and distributed following FEC guidelines for non-allocable mailings according to 11 CFR 100.87 and 11 CFR 100.147.

2. The Subject Mailings were paid for by the URP with federal dollars, using the proper disclaimer and postage permit.

3. The URP was invoiced for the Subject Mailings, copies of which are attached hereto as Exhibit "A." The URP paid for the Mailings from an appropriate federal funds account. Canceled checks paying the invoices are attached as Exhibit "B." The final canceled checks have not yet been received back by the URP. Account statements reflecting account balances immediately before payments were made are attached as Exhibit "C."

4. The money used to pay for the Subject Mailings came from the URP's Victory federal account, which only contained money raised by the state party itself. No transfer money from the NRCC was used.

5. The media quotes relied on in the Complaint are inaccurate. Joe Cannon, chairman of the URP, responded spontaneously to certain questions from the media without the

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opportunity to investigate or even review the relevant facts and circumstances. A subsequent review reveals the following facts:

a. The URP paid entirely for the design, printing, and postage for the Subject Mailings, using federal dollars raised by the URP.

b. The URP organized volunteers to process, sort, hand-stamp, and deliver the Subject Mailings to the post office so that there would be clear involvement from volunteers in the distribution of the Subject Mailings. Photographs depicting the volunteers at work, and logs identifying the volunteers are attached as Exhibit "D" and "E" respectively.

c. The Subject Mailings included disclaimers fully compliant with the current federal requirements.

d. No NRCC workers were brought to Utah from out of state to work on the Subject Mailings. The URP brought in some volunteers to assist the party's generic Get-Out-The-Vote activity. Permissible travel and subsistence expenses of such volunteers were paid with federal dollars from appropriate federal accounts. No wages were paid to volunteers.

6. The Subject Mailings were not coordinated with the NRCC or the Swallow For Congress campaign. The URP maintained control over the project and the Subject Mailings, and paid for the mailing with "home-grown" federal dollars.

LEGAL ANALYSIS

The DRC's Complaint alleges three violations: (1) The subject mailings are not exempt under 11 CFR 100.87 and 100.147; (2) The subject mailings were not prepared by volunteers, but by paid staff; and (3) The NRCC paid for the Subject Mailings. None of these claims is factually or legally accurate. The Subject Mailings fully comply with 11 CFR 100.87 and 100.147.

I. The Subject Mailings are exempt from the contributions and expenditures limits under 11 CFR 100.87 and 11 CFR 100.147.

A. The Subject Mailings are exempt from the contributions and expenditures limits under 11CFR100.87 and 11CFR100.147. The mailings were paid for by the URC with federal money using "home-grown funds." Bank statements reflecting the funds used to pay for the subject mailings are enclosed.

B. The Subject Mailings were assembled, hand-stamped and delivered for mailing by volunteers. Photographs of the volunteers at work, and logs identifying the volunteers are attached.

C. The URC did not use materials purchased by the NRCC or money transferred from the NRCC to pay for the Subject Mailings.

D. No NRCC workers were used or paid in connection with the Subject Mailing.

E. The Subject Mailings included attribution to the URP and disclaimers consistent with the applicable laws, rules and regulations. A copy of the materials with the attribution/disclaimer is attached.

II. Payments were not made by the URC to individuals doing work for the Swallow For Congress Committee in connection with the Subject Mailings.

A. The URC used volunteers for the handling, assembly and mailing of the Subject Mailings.

B. Those volunteers were not paid for the services they performed.

C. The URP used other volunteers, some of which were from out of state for the URP's generic Get-Out-The-Vote effort. Those volunteers were deployed only for the Get-Out-The-Vote effort, and not for any specific candidate or committee. Federal dollars directly raised by the URP were used to pay travel and subsistence expenses of such out of state volunteers only as permissible. No wages were paid.

D. The URC did not make any other payments to individuals doing work on behalf of the John Swallow For Congress Committee.

III. The NRCC did not pay for the Subject Mailings.

A. The URC paid for the Subject Mailings out of home-grown federal funds.

B. The NRCC did not pay for the Subject Mailings.

C. The URC was identified on the Subject Mailings as the party who actually paid for the mailings. The NRCC was not identified because the mailings were not paid for by the NRCC and it was not involved in the Subject Mailings.

D. Media quotes referenced in the Complaint concerning NRCC payments are inaccurate. At the time Mr. Cannon spontaneously responded to certain questions, he was not aware of the details concerning the Subject Mailings. After a full and complete investigation of the facts and circumstances it is clear that the Subject Mailings were paid for by the URC and were prepared under its direction, but assembled, hand-stamped, and mailed by volunteers.

CONCLUSION

For the reasons set forth above, no action should be taken against the URC, or any officer, agent or representative thereof. The Complaint has no merit. The Subject Mailings are exempt under 11 CFR 100.87 and 100.147, and were prepared and mailed in compliance therewith.

RESPECTFULLY submitted this 60 day of December, 2004.

PARRY ANDERSON & GARDINER



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